



## Position as of April 29, 2020 2019-20 half-year earnings

# SOMMAIRE

01

Group's position  
as of April 29, 2020

02

Business & financial results  
First half of 2019-20

03

Outlook



A man in a light-colored shirt and blue shorts stands on the deck of a white sailboat, holding onto the mast. The boat is on a blue sea with rocky islands in the background under a clear sky. The right half of the image is a dark, semi-transparent overlay.

01

# POSITION AS OF APRIL 29, 2020

**Jérôme de Metz**  
Chairman and CEO

## A ROBUST GROUP

### ► With its very diversified portfolio of activities and strong market shares:

- World leader for monohull and multihull sailboats
- European leader for motorboats on several segments: outboards and inboards from 30 to 60-foot
- European leader for leisure homes
- Present in all geographies

### ► With its financial structure:

- €609m of equity at February 29, 2020
- Over €300m of credit lines already in place and currently being confirmed, and a €120m government-backed loan currently being formalized

### ► Strengths that are becoming major competitive advantages in the context of this global economic crisis linked to the Covid-19 pandemic.

## PERSPECTIVE REQUIRED FOR THE HALF-YEAR ACCOUNTS

- ▶ These accounts were closed on February 29, 2020, without taking into account the economic events linked to Covid-19.
- ▶ Taking seasonality into consideration, the second half of the year always accounts for 60% to 65% of the Group's full-year revenues and most of its earnings.
- ▶ During the first half of the year, certain management decisions had a non-recurring impact on earnings.





02

# BUSINESS & FINANCIAL RESULTS

H1 2019-20

**Bruno Thivoyon**  
Group Chief Financial Officer

## GROUP KEY FIGURES

FIRST HALF OF 2019-20 (September 1, 2019 – February 29, 2020)

€ MILLIONS	H1 2019-2020	H1 2018-2019	Change	
			(reported data)	(constant exchange rates)
Revenues	519.4	495.9	+ 4.7%	+ 4.0%
- Boats	422.2	403.8	+ 4.6%	+ 3.6%
- Housing	97.1	92.1	+ 5.5%	+ 5.5%
EBITDA	27.1	32.5	- 16.4%	- 20.9%
Income from ordinary operations	- 8.7	- 3.4	ns	ns
Free Cash Flow	-156.0	-211.7		

### First-half revenue growth of 4%:

- ▶ In line with guidance
- ▶ Despite a 10% drop in sales in North and Central America (American brands)

### First-half income from ordinary operations marked by:

- ▶ Improvement in operational performance for the Boat and Housing divisions despite the increase in depreciation;
- ▶ Deterioration in profitability for the subsidiary RBH (-€3m);
- ▶ Non-recurring items (-€4m).

### €56m improvement in free cash flow



## BOAT DIVISION: ROBUST DEVELOPMENT FOR FLEETS

### FIRST HALF OF 2019-20

€ MILLIONS	H1 19-2020	H1 18-2019	Change	
			(reported data)	(constant exchange rates)
Europe	170.5	176.9	- 3.6%	- 3.7%
North and Central America	112.8	121.3	- 7.0%	- 9.9%
Other regions*	33.3	39.7	- 16.0%	- 16.4%
Fleets	105.6	65.9	+ 60.2%	+ 59.9%
<b>TOTAL REVENUES</b>	<b>422.2</b>	<b>403.8</b>	<b>+ 4.6%</b>	<b>+ 3.6%</b>

**\* Other regions:**

South America, Asia-Pacific, Rest of World

► **Fleets**

Sales represent 25% of first-half Boat revenues, driving demand for mono and multihull sailing models.

► **Europe**

All segments, except for monohull sailing, show positive trends.

► **North and Central America**

American sales were affected at the start of the half-year period by destocking at retailers throughout the market, particularly for the American brands (-30%).

► **Other regions**

Sales are affected by the market downturn in Australia (bushfires) and China (Covid-19).

► **Sailing / motorboat breakdown**

Driven by growth in fleet sales for charter firms, the percentage of sailboats is up 3.5 points to 53.5% vs 46.5% for motorboats.



## HOUSING DIVISION: ROBUST LEVEL OF BUSINESS IN FRANCE

### FIRST HALF OF 2019-20

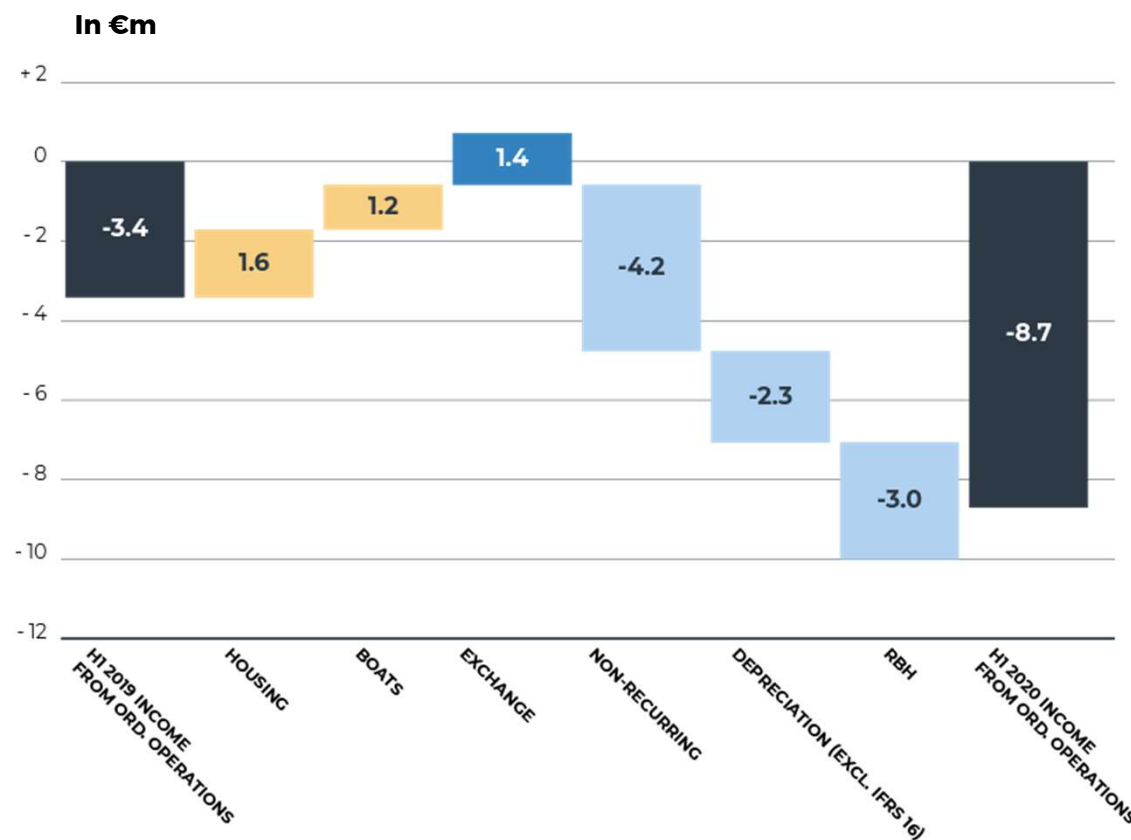
€ MILLIONS	H1 2019-2020	H1 2018-2019	Change	
			(reported data)	(constant exchange rates)
Leisure homes	97.1	92.1	+ 5.5%	+ 5.5%

► First-half revenue growth (+5.5%) driven by the French and Italian markets.

## BREAKDOWN OF INCOME FROM ORDINARY OPERATIONS FOR H1 2018-19 vs. H1 2019-20

### 2019-20 first-half income from ordinary operations marked by:

- ▶ Improvement in operational performance for the Housing and Boat divisions, despite an increase in depreciation with €2.3m for the period, resulting from investments made in previous years;
- ▶ Positive change in exchange rates (€+1.4m);
- ▶ Several non-recurring items recognized over the period (€4.2m), including:
  - Discontinuation of certain developments being capitalized (€2.5m), to reduce the level of investments and further strengthen the product offering's profitability;
  - Revised valuation of inventory for certain prototype boats (€1.7m);
- ▶ Downturn in billing for the American brands, leading to a deterioration in income from ordinary operations for the subsidiary RBH (-€3m).



## INCOME FROM ORDINARY OPERATIONS

€ MILLIONS	H1 2019- 2020	H1 2018-2019	Change	
			(reported data)	(constant exchange rates)
Revenues	519.4	495.9	+ 4.7%	+ 4.0%
• Boats	422.2	403.8	+ 4.6%	+ 3.6%
• Housing	97.1	92.1	+ 5.5%	+ 5.5%
EBITDA	27.1	32.5	- 16.4%	- 20.9%
• Boats	15.2	22.6	- 32.7%	- 39.1%
• Housing	11.9	9.9	+ 20.7%	+ 20.7%
Income from ordinary operations	- 8.7	- 3.4	ns	
• Boats	- 18.1	- 11.0	ns	
• Housing	9.3	7.7	+ 21.2%	+ 21.2%

► Boat division affected by significant non-recurring items, a increase in depreciation and greater sensitivity to seasonality for its earnings.

► Income from ordinary operations for the period confirms the improvement in profitability for the Housing division (+21.2%).



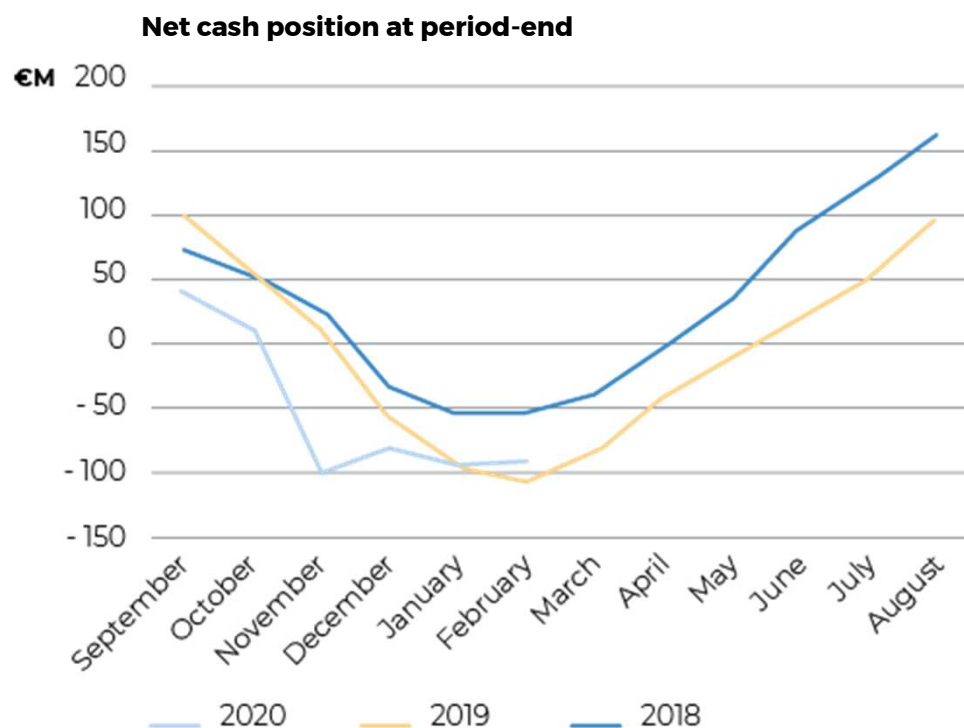
## NET INCOME

EN MILLIONS D'EUROS	H1 2019-2020	H1 2018-2019
Income from ordinary operations	- 8.7	- 3.4
Other operating income and expenses	- 0.6	0
Operating income	- 9.3	- 3.4
Financial income and expenses	- 4.1	- 3.6
Associates	2.0	1.9
Tax	- 1.9	2.1
Consolidated net income	- 13.4	- 2.9
<b>Net income (Group share)</b>	<b>- 12.1</b>	<b>- 1.6</b>

► The interim taxable income calculated for the first half of the year:

- Does not take into account the capitalization of losses to be carried forward for the half-year period;
- Is now calculated for each country (vs annual rate estimated for the half-year calculation in 2019).

## CASH



► **€56m improvement of first-half free cash flow, marked by:**

- €10m decrease in investments
- €52m reduction in working capital consumption

► **Net cash at the end of H1:**

- €16.7m improvement vs H1 2018-19 (to -€89.6m vs -€106.3m)
- Despite a technical increase in financial debt, resulting from the recognition of leases under financial liabilities with the transition to IFRS 16 (+€9m)

► **Excluding IFRS 16, net debt shows a +€26m improvement vs February 28, 2019**

## CASH

Group net cash at February 29, 2020 represents -€89.6m

Group financing structure at February 29, 2020 comprises:

- ▶ €150m of syndicated revolving credit facilities (RCF), maturing in 2023
- ▶ €143m of short-term financing lines
- ▶ €43m of borrowings, with just €5m due in the second half of 2020

With €609m of equity at February 29, 2020, the Group has a very robust financial position.



# 03 OUTLOOK

**Jérôme de Metz**  
CHAIRMAN AND CEO

## OUR OUTLOOK

### ► Short term:

- Industrial activities gradually starting up again from April 27 to mid-May
- For the Boat and Housing divisions, limited order cancellations to date, primarily deferrals to the next financial year
- Not yet sufficient visibility to measure the impact of the suspension of production on the full-year accounts

### ► Medium term: a new strategic plan being developed, based on:

- Strongly adapting the Group's products and industrial organization in line with future markets
- Reformulating the role that the Group aims to play in the world of recreational boats and leisure homes

The boating industry will see a deep transformation with the current crisis that represents a catalyst for Groupe Beneteau to move more quickly and go further.

### ► Next announcement on July 9, 2020:

- First look at the new strategic plan
- Third-quarter and nine-month revenues

# APPENDICES



## INCOME FROM ORDINARY OPERATIONS ADJUSTED FOR CURRENCY HEDGING

€ MILLIONS	H1 2019-2020	H1 2018-2019
Revenues	519.4	495.9
Income from ordinary operations	- 8.7	- 3.4
Financial income and expenses	- 4.1	- 3.6
Of which:		
• Currency hedging	- 2.2	- 2.0
• Interest costs net of investment income	- 1.9	- 1.6
Income from ordinary operations adjusted for currency hedging	- 10.9	- 5.4
Adjusted income from ordinary operations as % of revenues	ns	ns

► Deterioration in financial income and expenses over the period, affected by USD/EUR exchange rate hedging.

## CASH POSITION

€ million	H1 2019-20	H1 2018-19	FY 2018-19
Income from ordinary operations	-8.7	-3.4	82
Depreciation	39.2	35.3	65.7
Provisions	-2.5	0.6	-0.3
Other operating income and expenses	-0.6	0	0
Financial income and expenses	-4.1	-3.6	1.0
Tax	-1.7	-0.7	-35.8
Other	0	0.4	2.9
<b>Operating cash flow</b>	<b>21.7</b>	<b>28.8</b>	<b>133.1</b>
Net cash flow from investments	-36.4	-46.7	-81.8
Change in working capital	-140.8	-192.5	-49.8
Other	-0.4	-1.3	-8.0
<b>Free cash flow</b>	<b>-156.0</b>	<b>-211.7</b>	<b>-6.5</b>
Dividends / treasury stock	-21.7	-23.2	- 25.0
Change in scope	0	-33.4	-33.4
<b>CHANGE IN NET CASH</b>	<b>-177.7</b>	<b>-268.2</b>	<b>-64.9</b>
Opening net cash position	88.1	161.9	161.9
Closing net cash position	-89.6	-106.3	97.0

## FINANCIAL GLOSSARY

<b>AT CONSTANT EXCHANGE RATES</b>	Change calculated based on figures for the first half of 2019-20 converted at the exchange rate for the first half of 2018-19.
<b>EBITDA</b>	Earnings before interest, taxes, depreciation and amortization, i.e. operating income restated for allocation / reversal of provisions for liabilities and charges, depreciation charges and IFRS GAAP (IFRS 2 and IAS 19).
<b>FREE CASH FLOW</b>	Cash generated by the company during the reporting period before dividend payments, changes in treasury stock and the impact of changes in scope.
<b>NET CASH</b>	Cash and cash equivalents after deducting financial debt and borrowings, which include IFRS 16 lease liabilities and financial liabilities on commitments to buy out non-controlling interests.
<b>INCOME FROM ORDINARY OPERATIONS ADJUSTED FOR CURRENCY HEDGING</b>	Income from ordinary operations after taking into account currency hedging income and expenses. Income from ordinary operations adjusted for currency hedging is an alternative performance indicator that makes it possible to measure the Group's performance after the impact of foreign exchange hedging. Since 2016, income and expenses from currency hedging primarily reflect the difference between forward purchase / sales positions and the accounting exchange rate for recording transactions in currencies (USD, PLN). The Group hedges its commercial currency risk based exclusively on currency forwards.





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